



Andrew Cuomo  
Governor  
The Capitol  
Albany, NY 12224

Eric Schneiderman  
Attorney General  
The Capitol  
Albany, NY 12224

Carl Heastie  
Assembly Speaker  
LOB, Rm 932  
Albany, NY 12248

Thomas DiNapoli  
Comptroller  
110 State Street  
Albany, NY 12236

John Flanagan  
Senate Leader  
The Capitol, Rm 330  
Albany, NY 12247

Jeffrey Klein  
Senate Coalition Leader  
LOB, Rm 913  
Albany, NY 12247

September 30, 2016

**Re: Fundamental reforms needed in the aftermath of massive state bid rigging scandal.**

Dear Governor Cuomo, Comptroller DiNapoli, Attorney General Schneiderman, Senate Leader Flanagan, Speaker Heastie, and Senate Coalition Leader Klein,

We write in the aftermath of the recent federal and state criminal complaints against many of the major players involved in New York's Upstate economic development program to call on you to undertake major reforms.

The indictments confirmed that the state's use of non-profits and branches of SUNY to award billions in technology manufacturing subsidies has created a system that is ripe for abuse. We are calling on you collectively to work together to develop legislation and regulations that implement previous recommendations to:

1. Require competitive and transparent contracting for the award of state funds -- regardless of the contracting entity. We recommend using the agency procurement guidelines as a uniform minimum standard.
2. Transfer responsibility for awarding all business subsidy awards to ESDC, and end the use of state non-profits and SUNY in awarding these subsidies.
3. Empower the Comptroller to review and approve all state contracts.
4. Create a Database of Deals that allows the public to see the total value of all forms of subsidies awarded to a business --- six states have this.

We also urge you to seek to reduce the potential for conflicts of interest by exploring options to limit campaign contributions from anyone who has or is seeking a state contract. Nineteen states and NYC have "pay to play" laws like this and it could be a positive step for New York State.

These reasonable reforms address a scandal that affected over \$1 billion in public funds and revealed profound systemic problems with how the state awards certain large contracts. We urge you to move quickly to implement these reforms and to ensure that public funds are awarded fairly and transparently.

Thank you,

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